

## Overall Summary

On the home page there are a number of different categories for you to choose. Each of these contains information in respect of their specific subject area. We set out below a brief summary of the detailed articles on each of the subject areas.

### 1. PAYE Earners Article

Every year millions of euros remain unclaimed from the Revenue by PAYE taxpayers. Why? Because people are not aware of their entitlements and the Revenue do not tell you if they owe you money. In fairness to the Revenue they are not fortune tellers and if you do not tell them that you are due a certain tax credit they will not know about it. The responsibility is on your shoulders to ensure that you claim whatever you are entitled to. To allow you check your tax position we provide detailed information on the following:

- How to find out if you are due a tax refund.
- What to do when you are due a tax refund.
- The PAYE tax system.
- The three most important items- Tax Credit Certificate, Form P45 and Form P60.
- What happens when you start or cease employment.
- Flat Rate Expenses Deductions
- The tax implications for lump sum payments received when ceasing employment.
- Tax treatment of Share Options.
- Tax implications of emigrating/immigrating from/to Ireland.
- PRSI- Pay Related Social Insurance and Health Levy.
- Tax treatment of benefits in kind and a calculator to check your car benefit in kind.
- Tax calculator to allow you estimate you own tax liability to see if you are due a refund.
- Tax treatment of Social Welfare benefits
- Tax reliefs for age 65 and over

### 2. Tax Credits and Reliefs Article

Information is provided on the following matters:

- Married Couples- options for different tax treatments
- Basic Personal Tax Credits
- Separated Couples
- Single Parent Families
- Tax Rates
- Tax Credits
  - Home Carer's Tax Credit
  - Tax credit for Mortgage/Loan Interest (Secured and Unsecured)
  - Tax Credit for Private Rented Accommodation
  - Insurance policies
  - Trade Union Subscriptions
  - Home Service Charges
  - Tuition Fees & Training Courses
  - Other Personal Tax Credits as follows;

- Incapacitated Child
- Age Credit
- Blind Tax Credit
- Care of Incapacitated Individual
- Dependent Relative Credit
- Seafarer's Credit
- Tax Reliefs
  - Health/Medical Expenses relief
  - Contributions to Pension Schemes
  - Revenue Approved Permanent Health Benefit Schemes (PHI)
  - Business Expansion Schemes (BES)
  - Film Relief
  - Deeds of Covenant
  - Charitable Donations
- Tax Exemptions
  - Income Exemption & Marginal Relief
  - Child Minding Services in your home
  - Rent - a - Room Relief Tax Free Income
  - Leasing Farm Land

### 3. Pension Contributions Article

The setting up of Personal Pension Plans is one of the last few areas left where very generous tax breaks can be availed of. There are now a variety of methods open to everybody to make provision for their old age. Self-Administered schemes are proving increasingly popular. We provide information on the following:

- Tax relief available for pension funding. How to reduce tax on your business profits by pension funding.
- The use of AVC's by employees to save tax.
- Use our Pensions Contributions calculator to see how much of a pension contribution to make to get maximum tax relief.

### 4. Rental Income Article

The number of property investors in Ireland has increased substantially over the last decade. For tax purposes rental income covers various items. However we confine ourselves to the tax treatment of rents from land, residential and commercial property.

Detailed information on the following is provided:

- Frequently Asked Questions.
- Acquiring an Investment Property.
- Taxation of Rental Income.
- Special Tax Reliefs for Property Investment including Section 23 Relief.
- VAT on Residential Properties that are registered for VAT purposes and how to complete your VAT returns.
- Holiday Homes Tax Reliefs.
- U.K. properties Tax Treatment.
- Foreign Property Rental Income Losses.
- Irish Property Investors Resident Abroad.

We also provide the following systems for your benefit:

- Tax Information Recording System for each property.
- Rental Profit/Loss calculator.
- U.K Rental Income Tax Calculator

## 5. Self Assessment Tax System Article

The Self Assessment Tax System deals primarily with the self employed and also with individuals in receipt of non PAYE income e.g. rental and investment income. In addition, shareholder directors and PAYE earners with other sources of income may also be dealt with under the Self Assessment Tax System.

### ***PAYE Earners***

Many PAYE earners are dealt with by the Tax Office under the Self Assessment Tax System.

Information on the following is provided:

- Rules for deciding if your tax returns should be made under the Self Assessment Tax System.
- Tax Return Submission Dates to avoid penalties.
- Tax Payment Rules under Self Assessment Tax System.

We also provide the following systems for your benefit:

- Tax Information Recording System for Rental Income, Dividends and Deposit Interest.
- Calculators to work out your estimated tax liability.

### ***Self Employed***

Self-Employed people carry on their business either in their own name (referred to as Sole Traders) in Partnership (referred to as Partners) or through a limited company (referred to as Shareholder Directors).

Information on the following matters is provided:

- How and when you pay your tax.
- How your profit is calculated for tax purposes
- Tax allowances and claims which can be made against your profit
- Special rules for starting in business
- Special rules when ceasing business e.g. Retiring, Selling the Business, Converting to a Company, Taking on a Partner.
- Family members working in the business.
- Running your business from home
- Pension funding

We also provide the following systems for your benefit:

- Capital allowances and Income & Expenditure Account calculators
- Tax Calculator to work out your estimated tax liability

### ***Shareholder Directors***

Information on the following matters is provided:

- Benefits of carrying on business through a limited company.
- Tax treatment of company and its shareholders.
- How company profits are calculated for tax purposes
- How Shareholder Director's pay tax.
- Date tax is payable.
- Family members working in the business.

### ***Investment Income***

Many people particularly retired persons have substantial investment income e.g. Share dividends, Deposit interest.

Information on the following is provided:

- Income Tax treatment of dividends from Irish companies.
- Income Tax treatment of dividends from U.K. companies.
- Income Tax treatment of dividends from other countries.
- Income Tax treatment of deposit interest.
- Application of D.I.R.T. and how to obtain a refund of D.I.R.T.

We also provide the following systems for your benefit:

- Tax information recording system for deposit interest and dividends.
- Calculator to work out your estimated tax liability.

## 6. Selling Property or Shares - Capital Gains Tax Article

Over the last few years the Revenue Commissioners tax take from Capital Gains Tax, which is the tax payable on profits from selling assets, has increased very substantially to over €3 billion in the year 2007. We now have a large number of property investors and there has also been a big increase in the number of people buying and selling shares.

Detailed information on the following is provided:

- What assets are liable for tax.
- Special Exemptions from Tax.
- Principal Private Residence Relief
- Summary of rules applicable to investment properties and shares

We also provide the following systems for your benefit:

- Tax information recording system for property and share purchases and sales
- Calculator to work out your estimated tax liability

## 7. Parents Acquiring Property for Children Article

Parents are now providing direct assistance to children in acquiring property. We show by way of example the typical investment structures used by parents when purchasing property for the future benefit of their children.

## 8. Gift and Inheritance Tax Article

Whenever you receive an inheritance or a gift special tax rules apply and you may owe tax on the benefit received.

We provide detailed information on the following:

- Circumstances in which a tax liability may arise.
- How gifts can involve payment of different taxes.
- Special tax exemptions.
- Special tax reliefs for:
  - Residential property
  - Business assets
  - Agricultural property
- How to reduce your potential tax liability.
- How to calculate the tax liability and when it is due for payment

We also provide the following systems for your benefit:

- Calculator to work out your estimated tax liability.

## 9. Tax Residency Rules Article

If you are Irish born and bred, and living and working in Ireland you pay tax in Ireland on your worldwide income and gains. If you do not fall into this category then the rules for deciding Irish tax residency may work to your advantage.

This is a very complex and technical area and no decisions should be made on your Irish tax position without seeking specialist advice to consider your own particular circumstances.

Our site provides general advice in respect of the following matters:

- How to decide if you are tax resident in Ireland.
- The meaning of the tax terms Resident, Ordinarily Resident and Domicile.
- Cross Border Workers.
- Seafarers Allowance.
- Emigrating / Immigrating- split year tax treatment.

- PAYE Exclusion Orders.

## 10. Age 65 and Over Article.

Information is provided on the following:

- Income Exemption
- Marginal Relief
- Repayment of DIRT
- Age Tax Credit
- PRSI Exemption
- Health Levy Exemption

## 11. Case Studies Summary

The following Case Studies show how significant tax savings and refunds can be obtained.

- Case Study 1 - Why there are unclaimed millions of tax credits every year.
- Case Study 2 - Furnish your home Benefit-in-Kind option.
- Case Study 3 - How the Revenue Commissioners will pay for your holidays.
- Case Study 4 - Company Car versus Business Mileage- which is best?
- Case Study 5 - Free Medical Insurance from the Revenue Commissioners.
- Case Study 6 - PAYE Earners Tax and Pension Funding for Retirement.
- Case Study 7 - How to double your SSIA money.
- Case Study 8 - Year of Marriage Tax Repayment Claim.
- Case Study 9 - Married Couples - beware Separate Assessment Rules.
- Case Study 10 - Separated Couples Tax Options.
- Case Study 11 - Deeds of Covenant/ Supporting parents
- Case Study 12 - Married Property Investors - Tax Planning.
- Case Study 13 - Acquiring Property for Children
- Case Study 14 - Inheritance Tax Example
- Case Study 15 - Self Employed- Ways to Save Tax.
- Case Study 16 - Self Employed versus Employee – which is best?.
- Case Study 17 - Self Employed Tax and Pension Funding for Retirement.
- Case Study 18 - Pension for Spouses at no extra cost.
- Case Study 19 - Tax Free Benefits from Changing Business to a Limited Company.
- Case Study 20 - Selling a site beside your home.
- Case Study 21 - CGT Retirement Relief for Family Business.

## 12. Tax Forms and Publications Section

We provide a detailed step by step guide to completing your annual tax return form. This is a Form 12 for Paye Earners and a Form 11 for Self Assessment Cases.

We also include relevant tax forms and publications from the Revenue website for your convenience.

## 13. UK Tax Section

We have a detailed article on how to complete your UK tax return form for Irish individuals who have rental property in the UK and what you will have to do to register with the UK Revenue. In addition we have a UK rental income calculator. We also have all relevant UK tax forms in this section for your convenience.

## **14. Irish tax Return Verification Service**

If you wish one of our tax consultants will check your Irish tax return form and submit it to the Revenue on your behalf. This service is available for subscribers to our Premium rate service whose tax affairs are dealt with under our self assessment tax system.